

Mitigated Negative Declaration

PROJECT NAME: Otay Ranch Village Two SPA Plan Amendment

PROJECT LOCATION: Otay Ranch Village Two Neighborhoods R-7A, R-9A, R-28 and R-29

ASSESSOR'S PARCEL NO: 644-311-01, 13, 15, 16, and 19
644-310-10

PROJECT APPLICANT: Otay Ranch New Homes, LLC
1392 East Palomar Street, Suite 202
Chula Vista, CA 91913

CASE NO.: 10-009

DATE OF DRAFT DOCUMENT: January 13, 2012

DATE OF FINAL DOCUMENT: _____, 2012

California Environmental Quality Act Compliance:

This document serves as the Mitigated Negative Declaration (MND) for the proposed Otay Ranch Village Two SPA Plan Amendment Project (proposed project) located within the City of Chula Vista (City). The City is the lead agency responsible for the review and approval of the proposed project. The City has made the determination that a Mitigated Negative Declaration (MND) is the appropriate environmental document to be prepared in compliance with the California Environmental Quality Act (CEQA). As provided for by CEQA Section 21064.5, an MND may be prepared for a project subject to CEQA when an Initial Study has identified potentially significant effects on the environment, but (1) revisions in the project plans or proposals made by, or agreed to by, the Applicant before the proposed Mitigated Negative Declaration and Initial Study are released for public review would avoid the effects or mitigate the effects to a point where clearly no significant effect on the environment would occur; and (2) there is no substantial evidence in light of the whole record before the public agency that the project, as revised, may have a significant effect on the environment.

This draft MND has been prepared in conformance with Section 15070(a) of the State of California CEQA Guidelines. The purpose of the MND and the Initial Study Checklist/Environmental Evaluation is to determine any potentially significant impacts associated with the proposed project and incorporate mitigation measures into the project design as necessary to reduce or eliminate the potentially significant effects of the project.

A. Project Location

The proposed project site is located within Otay Ranch Village Two in the City of Chula Vista, California (Figures 1 and 2). The site is located southwest of Otay Ranch High School, south of Olympic Parkway and west of La Media Road, in an area designated as Village Two in the Otay Ranch General Development Plan (GDP). The project site consists of the R-7A, R-9A, R-28, and R-29 neighborhoods within Village Two (Figure 3).

B. Project Description

The proposed project includes amendments to the Otay Ranch GDP and the Otay Ranch Village Two, Three and a portion of Four Sectional Planning Area Plan (Village Two SPA Plan). The proposed project also includes one tentative map.

The Village Two neighborhoods subject to this proposal were graded in 2006. However, due to the ongoing negative housing market conditions and homebuyer financing challenges, the product types anticipated in the original Village Two approvals are no longer economically feasible. To jump start development in Village Two, the project applicant is proposing smaller, detached homes on small lots within neighborhoods R-7A and R-9A. The proposal also includes increasing densities within two neighborhoods (R-28 and R-29) to construct higher density multi-family neighborhoods within the village core. In some instances, densities are restored to approximately the same density originally approved as part of the Village Two Tentative Map (TM) and subsequently reallocated within Village Two through Substantial Conformance approvals. In other neighborhoods, higher densities are proposed to meet current and anticipated future market demand. The project applicant continues to implement the original vision for Otay Ranch Village Two through consistency with the “Santa Barbara” architectural theme and landscape theme.

Otay Ranch Village Two is a transit-oriented village with higher densities planned within the linear village core located between La Media Road and Heritage Road. The applicant is proposing density increases within or adjacent to the Village Two core area consistent with GDP policies.

This project includes the following components:

1. Amend the Otay Ranch GDP, the Village Two SPA Plan to authorize a total of 2,983 residential units (878 single-family and 2,105 multi-family units), resulting in a net increase of 197 residential units.
2. Amend the SPA Plan as follows:
 - a. Increase the authorized units within R-7A from 44 to 82 single family units. Rezone the R-7A neighborhood from SF-3 to RM-1. This amendment results in a net increase of 38 units.
 - b. Increase the authorized units within R-9A from 56 to 67 single family units. Rezone the R-9A neighborhood from SF-4 to RM-1. This amendment results in a net increase of 11 units.
 - c. Increase the authorized units within neighborhood R-28 from 46 to 135 multi-family units, resulting in a net increase of 89 units.
 - d. Increase the authorized units with neighborhood R-29 from 89 to 148 multi-family units, resulting in a net increase of 59 units.
3. Amend the Planned Community District Regulations as necessary to implement the multi-family detached product types within R-7A and R-9A.

4. One Tentative Map for neighborhoods R-7A and R-9A Tentative Map containing 83 residential lots (and an optional lotting scheme containing 85 lots) and associated infrastructure is also proposed.

Table 1 below includes a summary of the proposed land use changes from what is currently approved for the project site.

Table 1
Proposed Project Land Use Changes

Neighborhood	Existing Zoning	Existing Units	Proposed Zoning	Proposed Units	Change in Unit Count
R-7A	SF-3	44	RM-1	82	+38
R-9A	SF-4	56	RM-1	67	+11
R-28	RM-2	46	RM-2	135	+89
R-29	RM-1	89	RM-1	148	+59
TOTAL		235		432	+197

Village Two SPA Plan EIR (2006)

The Final Second Tier Environmental Impact Report, Otay Ranch Villages Two, Three, and a Portion of Village Four Sectional Planning Area (SPA) Plan, hereafter referred to as the “SPA Plan EIR,” contains a comprehensive disclosure and analysis of potential environmental effects associated with the implementation of the SPA Plan in the City of Chula Vista. The Plan was developed to refine and implement the land use plans, goals and objectives of the Otay Ranch GDP for the development of Villages Two, Three, and a portion of Village Four.

The original proposed SPA Plan is comprised of the following land use components: 2,786 dwelling units (986 single-family and 1,800 multi-family units) on approximately 335.1 acres and three industrial areas on 87.9 acres within Village Two, a 176.5-acre business park within Village Three and a 44.2-acre community park site within a portion of Village Four. The remaining acres were approved for non-residential uses, including community purpose facilities (CPFs), schools, public parks, commercial uses, open space, two pedestrian bridges, and circulation right-of-way.

Incorporation by Reference

The State CEQA Guidelines specifically provides for incorporation of relevant existing information by reference, as a means of reducing repetition in environmental documents for related projects, or where other existing information is recognized as valid and applicable to the subject project. Specifically, the CEQA Guidelines state “the incorporated part of the referenced document shall be briefly summarized where possible or briefly described if the data or information cannot be summarized” (CEQA Guidelines §15150).

The following is incorporated by reference:

- City of Chula Vista. 2006. Otay Ranch Villages Two, Three, and a Portion of Village Four Sectional Planning Area (SPA) Plan Final Second Tier Environmental Impact Report. SCH No. 2003091012. May.

The proposed project would amend the SPA Plan to authorize a total of 2,983 residential units, resulting in a net increase of 197 residential units. While this project-level environmental analysis

identifies impacts where the proposed project would differ from what was proposed for the project site under the 2006 SPA Plan, it also relies on the 2006 SPA Plan EIR's environmental analysis where appropriate. As such, the SPA Plan EIR is incorporated by reference into this document, and all applicable mitigation measures in the 2006 SPA Plan EIR will remain applicable to the proposed project.

C. Compliance with Otay Ranch GDP

Neighborhoods R-7A and R-9A are designated as low medium village (LMV – 3.5) and neighborhoods R-28 and R-29 are designated as Village Core – Medium High (MH – 10.0) in the Otay Ranch GDP. The LMV – 3.5 designation allows for up to 3.5 development units per acre, while the MN – 10.0 allows for up to 10 units per acre.

Neighborhoods R-7A and R-9A are zoned as Low-Medium Residential (3-6 du/ac). Neighborhoods R-28 and R-29 are zoned mixed use residential.

The proposed project includes amendments to the Otay Ranch GDP and the SPA Plan. The applicant is proposing density increases within or adjacent to the Village Two core area consistent with GDP policies. Compliance with zoning and plans is discussed in the Initial Study, which is included as *Attachment A* to the document.

D. Public Comments

On _____, a Notice of Initial Study was circulated to property owners within a 500-foot radius of the proposed project site. The public review period ended on _____, 2011. _____ environmental issues were raised.

E. Identification of Environmental Effects

An Initial Study conducted by the City determined that the proposed project may have potential significant environmental impacts; however, mitigation measures have been incorporated into the project to reduce these impacts to a less than significant level. This MND has been prepared in accordance with Section 15070 of the CEQA Guidelines.

F. Mitigation Necessary to Avoid Significant Impacts

Noise

As stated in the Initial Study, future noise levels would range up to 67 dB CNEL at the homes facing Olympic Parkway. The interior noise levels in habitable rooms of these homes are expected to exceed the 45 dB CNEL noise criterion. Implementation of Mitigation Measure NOI-1 would ensure that exterior noise levels remain below 65 dB CNEL. Implementation of Mitigation Measure NOI-2 would ensure that interior noise levels would not exceed the 45 dB CNEL criterion. With implementation of these mitigation measures, impacts would be less than significant.

NOI-1 A 5-foot high sound wall at the top of the slope along single family lots 34, 35, 37, and 38 in Neighborhood R-7A are required to mitigate the traffic noise associated with Olympic Parkway. With implementation of the sound wall the project will meet the City's 65 dB CNEL exterior noise level criterion. The sound wall may be constructed of any masonry material, or material such as tempered glass, with a surface density of at least three pounds per square foot. The sound wall should have no openings or cracks.

- NOI-2** To comply with the City and State's 45 dB CNEL interior noise standard, the homes on Lots 34-39 within Neighborhood R-7A will require a mechanical ventilation system or air conditioning system and possibly sound-rated windows. An interior noise analysis addressing first and second floor noise will be required for the homes on Lots 34-39 prior to issuance of building permits.

Public Services

The additional residential units associated with the proposed project would result in a proportional increase in the number of emergency service calls to the fire and police departments annually. With incorporation of Mitigation Measure PUB-1, impacts to local fire protection services would be less than significant.

Village Two owners have entered into a School Mitigation Agreement to mitigate impacts associated with Village Two development. The School Mitigation Agreement runs with the land, and the Village Two property is within the boundaries of school CFDs, therefore, the proposed project area is subject to the same requirements. With incorporation of Mitigation Measure PUB-2, impacts to local school districts would be less than significant.

The applicant will be required to pay park development component and acquisition component Park Acquisition and Development (PAD) fees. With incorporation of Mitigation Measure PUB-3, impacts to existing and approved parklands would be less than significant.

- PUB-1** Prior to approval of each building permit, the applicant shall pay Public Facilities Development Impact Fee (PFDIF) at the rate in effect at the time of building permit issuance.
- PUB-2** Prior to approval of each building permit, the applicant shall pay all required school mitigation fees or enter into an agreement to help finance the needed facilities and services for the Chula Vista Elementary School and the Sweetwater Union High School District.
- PUB-3** Prior to approval of the final map, the applicant shall pay required park development fees and dedicate 1.67 acres of local parkland or pay park acquisition fees. Prior to approval of building permits, the applicant shall pay recreation development impact fees in accordance with the fees and phasing approved in the Public Facilities Financing Plan for the SPA Plan.

Recreation

The increase in population associated with the proposed project would not result in a substantial increase in physical deterioration of neighborhood and regional parks or other recreational facilities. Implementation of Mitigation Measure **PUB-1** would reduce recreation impacts to a less than significant level.

Traffic

The project will be required to pay all applicable Transportation Development Impact Fees (TDIF) to provide financing for circulation element road projects. Payment of the TDIF, as outlined in Mitigation Measure TRA-1, would mitigate cumulative impacts to below a level of significance.

- TRA-1** Prior to issuance of building permits, the applicant shall pay the applicable TDIF.

Utilities and Service Systems

Mitigation measure UTIL-1 would ensure that the proposed project would not exceed the capacity of any line in the existing wastewater conveyance system. Impacts to wastewater facilities from the proposed project would be considered less than significant with incorporation of mitigation measure UTIL-1.

UTIL-1 Prior to the issuance of the first building permit related to any project uses served by the Poggi Canyon Sewer, and to the satisfaction of the City Engineer, the applicant shall:

- 1.) Bond for the improvement of the constrained reach at Brandywine Avenue (Reach P270) with the first final map for the project, unless otherwise approved by the City Engineer;
- 2.) Monitor sewer flows within the Poggi Canyon Sewer Basin to the satisfaction of the City Engineer and submit quarterly reports to the City upon the issuance of the first building permit within the Project; unless otherwise approved by the City Engineer;
- 3.) Obtain the approval for the improvement plan and any necessary environmental permits for Reach P270 prior to the first final "B" Map, unless otherwise approved by the City Engineer;
- 4.) Commence construction of Reach P270 upon reaching a d/D of 0.75, unless otherwise approved by the City Engineer;
- 5.) Complete construction of Reach P270 the sooner of one year after occupancy of the first unit sewerage to the Poggi Canyon System, or a d/D of 0.85, unless otherwise approved by the City Engineer;
- 6.) Not seek building permits within the Poggi Canyon Sewer Basin if any segment of the Poggi Canyon Trunk Sewer achieves a d/D of 0.85, or the City Engineer has determined, at his sole discretion, that there is not enough San Diego METRO treatment capacity for the proposed project, unless otherwise approved by the City Engineer.

G. Agreement to Implement Mitigation Measures

By signing the line(s) provided below, the Applicant and Operator stipulate that they have each read, understood and have their respective company's authority to and do agree to the mitigation measures contained herein, and will implement same to the satisfaction of the Environmental Review Coordinator. Failure to sign the line(s) provided below prior to posting of this Mitigated Negative Declaration with the County Clerk shall indicate the Applicant's and Operator's desire that the Project be held in abeyance without approval and that the Applicant and Operator shall apply for an Environmental Impact Report.

Printed Name and Title of Applicant

Date

Signature of Applicant

Date

H.

H. Consultation

1. Individuals and Organizations

City of Chula Vista:

Stan Donn, Planning and Building Department
Steve Power, Planning and Building Department

Others:

Brian Grover, Dudek
Joe Monaco, Dudek

2. Initial Study

This environmental determination is based on the City's Initial Study, and any comments received in response to the Notice of Initial Study. The report reflects the independent judgment of the City of Chula Vista. Further information regarding the environmental review of this project is available from the Development Services Department, 276 Fourth Avenue, Chula Vista, CA 91910.

Stan Donn, AICP
Senior Planner

Date: _____

INTENTIONALLY LEFT BLANK

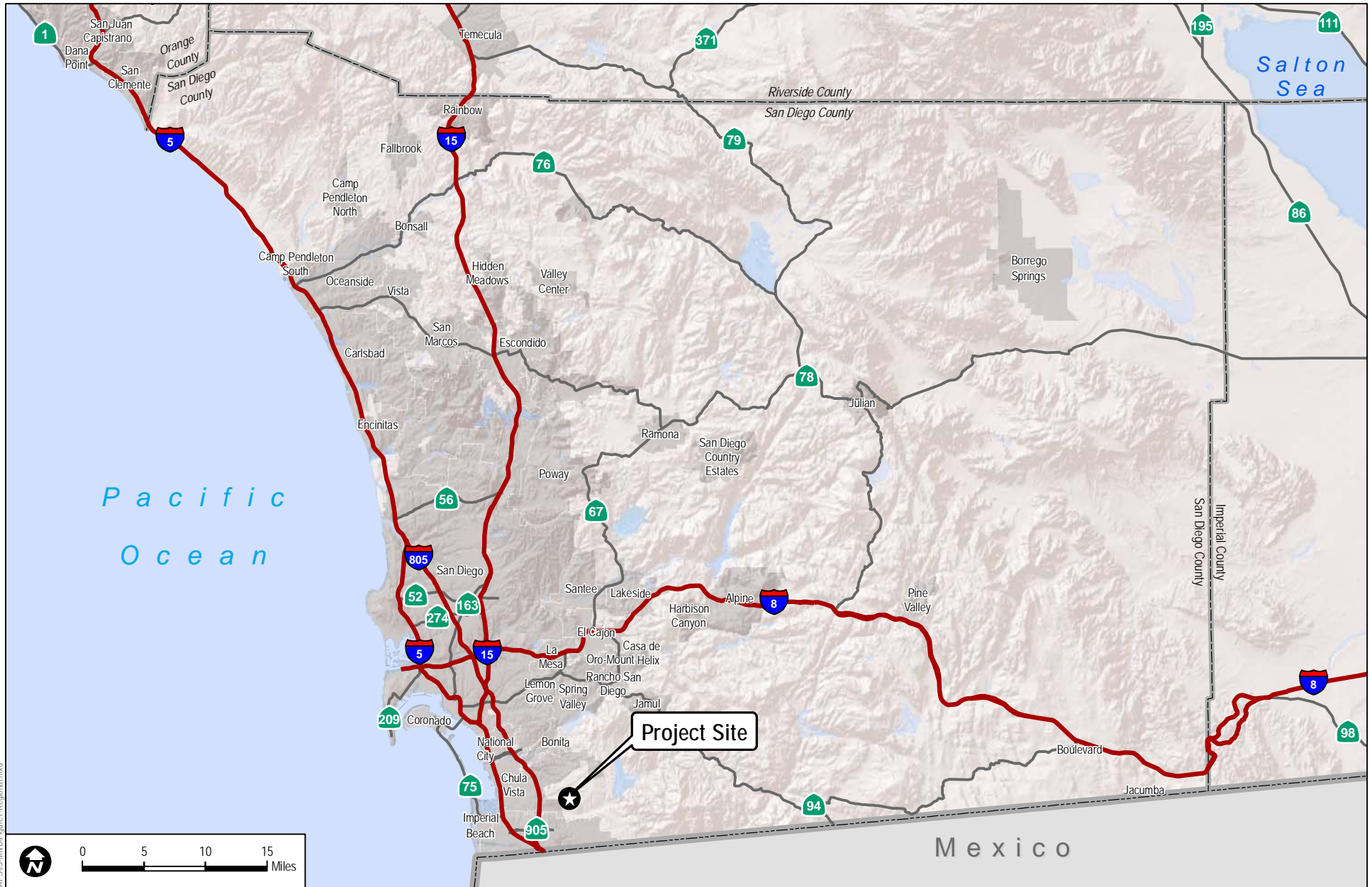


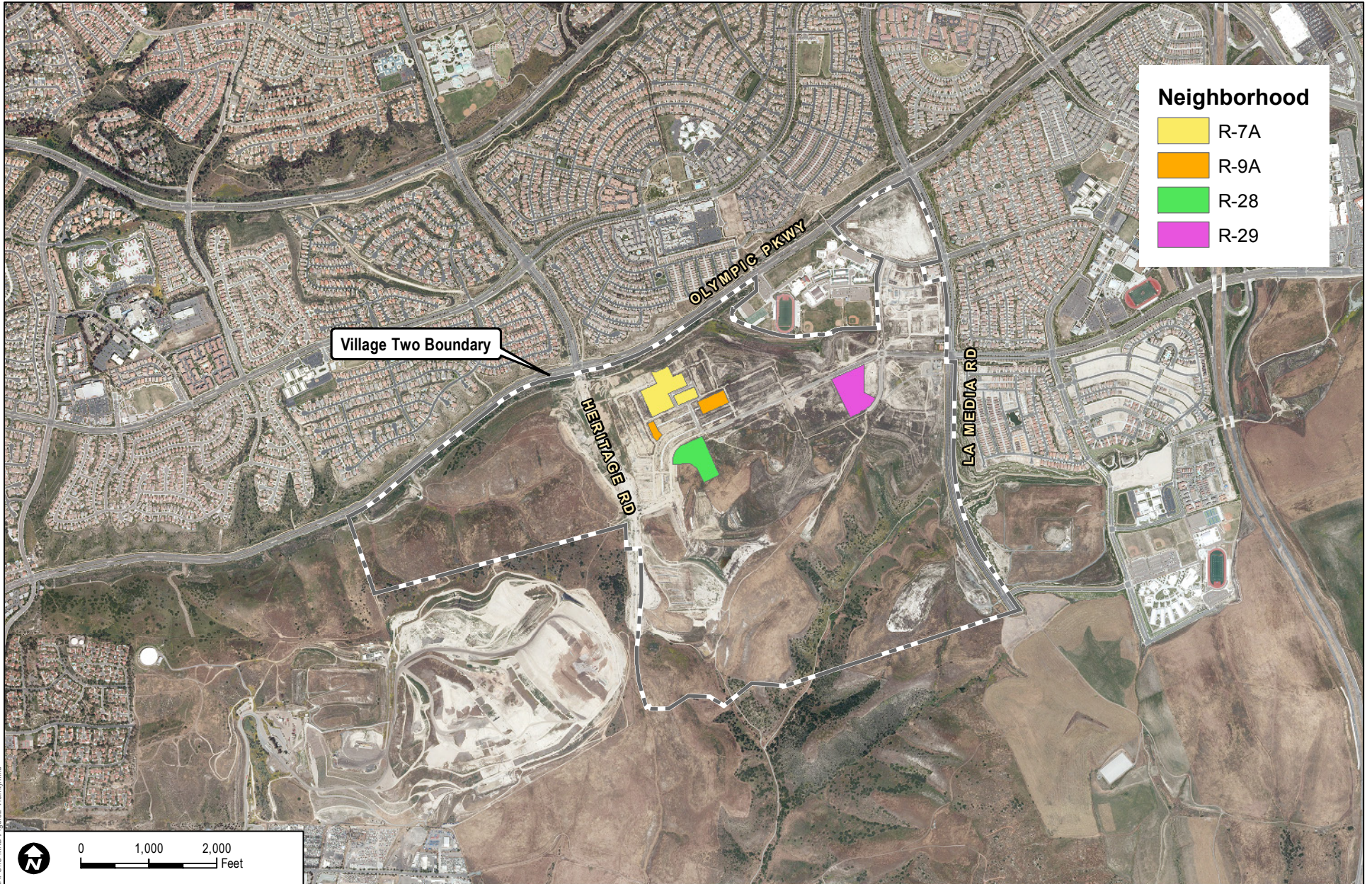
FIGURE 1
Regional Map

DUDEK

6789-01

IS/MND for the Otay Ranch Village Two SPA Plan Amendment

INTENTIONALLY LEFT BLANK



DUDEK

AERIAL SOURCE: NAIP 2010

6789-01

IS/MND for the Otay Ranch Village Two SPA Plan Amendment

FIGURE 2
Vicinity Map

INTENTIONALLY LEFT BLANK

Z:\Projects\678801\MAPDOC\MAPS\IS-MND



DUDEK

6789-01

SOURCE: HUNSAKER 2011

IS/MND for the Otay Ranch Village Two SPA Plan Amendment

FIGURE 3
Project Site

INTENTIONALLY LEFT BLANK